

In the Matter of:

CASE NO.
89-082

O R D E R

This action arises out of a complaint filed March 27, 1989 by Billy Thomas Foster and Cynthia A. Foster against Blue Grass Rural Electric Cooperative Corporation ("Blue Grass RECC"). The complainant alleges that Blue Grass RECC incorrectly or mistakenly disconnected the Fosters from its system without notice and wrongfully charged the Fosters \$140 to re-connect. Blue Grass RECC filed its answer on July 18, 1989 denying the allegations of the complaint, and on October 4, 1989 Blue Grass RECC requested a hearing before this Commission.

The hearing was conducted before the Commission on November 30, 1989. Cynthia A. Foster appeared on behalf of herself and Billy Thomas Foster. Blue Grass RECC was represented by counsel.

Now therefore, based upon the testimony and evidence herein, the Commission doth hereby make the following Findings of Fact, Conclusions of Law, and Order.

FINDINGS OF FACT

Blue Grass RECC is a cooperative engaged in the transmission and distribution of electricity to the public for compensation. Its principal offices are located in Nicholasville. Billy Thomas Foster, also of Nicholasville, is a member and customer of Blue Grass RECC. Cynthia Ann Foster is the wife of Billy Thomas Foster.

On January 25, 1989, Blue Grass RECC mailed Billy T. Foster an electric bill for services rendered for the preceding December. Payment of the bill was due February 10, 1989. When payment was not made by the due date, a delinquent notice was sent to Mr. Foster. The delinquent notice advised him that failure to pay the bill would subject him to discontinuance of service on February 26, 1989 and to disconnection and re-connection fees if he desired the resumed service. The notice further informed Mr. Foster of his rights under 807 KAR 5:006, Section 11.

On February 18, 1989, prior to receiving the delinquency notice, Cynthia Foster wrote a check to Blue Grass RECC for \$188.68 in payment of the delinquent account. Cynthia Foster stated that she deposited the check in the night depository maintained by Blue Grass RECC at its Nicholasville office, but Blue Grass RECC has no record of receiving it. A few days after writing the check Cynthia Foster received the delinquent notice but assumed the bill had been paid and did not contact Bluegrass RECC. As a result, the bill remained delinquent and on March 9, 1989 service to Billy T. Foster was discontinued and he was disconnected from the system. In order to resume service Billy

Thomas Foster and Cynthia Foster were required to pay \$140 in addition to the amount of the delinquent bill.

As a public utility Blue Grass RECC is required to file with this Commission copies of its fees, deposits and charges as cost incurred for services rendered. Blue Grass RECC also provides its member customers with a handbook. The handbook advises members to notify the cooperative office immediately upon receipt of a disconnect notice in order to avoid discontinuance of service.

CONCLUSIONS OF LAW

Blue Grass RECC is a utility as defined by KRS 278.010(3)(a), as such it is authorized by 807 KAR 5:006, Section 11, to discontinue service to any member customer who fails or refuses to pay a delinquent bill upon 10 days written notice. Although Cynthia Foster attempted to make payment before service was discontinued, she failed to do so after receiving proper written notice and Blue Grass RECC did not act improperly when it disconnected the Fosters from service. Thus, the complaint by Billy Thomas Foster and Cynthia A. Foster against Blue Grass RECC for reimbursement of the \$140 paid as disconnect and re-connect fees should be dismissed.


ORDER

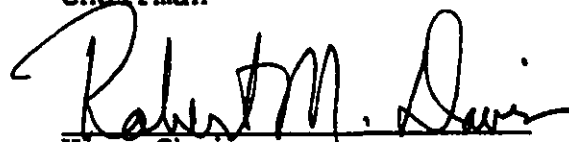
Now therefore on the basis of the Findings of Fact, Conclusions of Law and upon the entire record, IT IS HEREBY ORDERED that:

The complaint of Billy Thomas Foster and Cynthia A. Foster against Blue Grass RECC demanding reimbursement of \$140 paid as disconnection and re-connection fees be and is hereby dismissed.

Done at Frankfort, Kentucky, this 16th day of January, 1990.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman

Commissioner

ATTEST:


Executive Director